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12 *Attorneys for Debtors and Reorganized
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14 **UNITED STATES BANKRUPTCY COURT**
15 **NORTHERN DISTRICT OF CALIFORNIA**
16 **SAN FRANCISCO DIVISION**

17 In re:

18 **PG&E CORPORATION,**

19 **- and -**

20 **PACIFIC GAS AND ELECTRIC COMPANY,**
21 **Debtors.**

22 Case No. 19-30088 (DM)
Chapter 11
(Lead Case)
(Jointly Administered)

23 **STIPULATION BY AND BETWEEN**
REORGANIZED DEBTORS AND
BRIAN ANTHONY FREITAS

24 Affects PG&E Corporation
 Affects Pacific Gas and Electric Company
 Affects both Debtors

25 * *All papers shall be filed in the Lead Case,*
26 *No. 19-30088 (DM).*

1 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the
2 “**Utility**”), as debtors and reorganized debtors (collectively, the “**Debtors**” and as reorganized
3 pursuant to the Plan,¹ the “**Reorganized Debtors**”) in the above-captioned cases (the “**Chapter**
4 **11 Cases**”) and Brian Anthony Freitas, (“**Freitas**,” and, together with the Reorganized Debtors,
5 the “**Parties**”), by and through their respective counsel, hereby stipulate and agree as follows:

6 **RECITALS**

7 A. On October 18, 2017, Freitas filed in the Superior Court of California, County of
8 Merced (the “**State Court**”) a complaint (the “**Complaint**”) in which he asserted personal injury
9 claims against the Reorganized Debtors. The action initiated by the Complaint is currently
10 pending in the State Court, and is titled *Brian Anthony Freitas vs. Pacific Gas and Electric*
11 *Company, et al.*, Case No. 7CV-03528 (the “**State Court Action**”).

12 B. On January 29, 2019 (the “**Petition Date**”), the Debtors commenced these Chapter
13 11 Cases in the United States Bankruptcy Court for the Northern District of California (the
14 “**Bankruptcy Court**”). The Chapter 11 Cases are being jointly administered for procedural
15 purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

16 C. By Order dated July 1, 2019 [Docket No. 2806], the Bankruptcy Court set October
17 21, 2019 at 5:00 p.m. (Prevailing Pacific Time) (the “**Original Bar Date**”) as the deadline in these
18 Chapter 11 Cases for filing proofs of claim in respect of any of prepetition claim (as defined in
19 section 101(5) of the Bankruptcy Code) against either of the Debtors, including all claims of Fire
20 Claimants, Wildfire Subrogation Claimants, Governmental Units (as defined in section 101(27) of
21 the Bankruptcy Code), and Customers, and for the avoidance of doubt, including all secured
22 claims and priority claims. The Original Bar Date was later extended for certain claims that are
23 not relevant or applicable to the Parties or this Agreement.

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25
26 ¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in
27 the *Debtors’ and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization Dated June*
28 *19, 2020* (as may be further modified, amended or supplemented from time to time, and together
with any exhibits or schedules thereto, the “**Plan**”).

1 D. On September 16, 2019, Freitas filed Proof of Claim No. 9137 (the “**Proof of**
2 **Claim**”), on account of the claims asserted in the Complaint.

3 E. By Order dated June 20, 2020 [Dkt. No. 8053] (the “**Confirmation Order**”), the
4 Bankruptcy Court confirmed the Plan. The Effective Date of the Plan occurred on July 1, 2020. *See*
5 Dkt. No. 8252.

6 F. Sections 10.5 and 10.6 of the Plan and Paragraphs 51 and 52 of the Confirmation
7 Order establish the “**Plan Injunction**,” which supersedes the automatic stay in most respects and
8 expressly prohibits (1) commencing, conducting, or continuing in any manner, directly or indirectly,
9 any suit, action, or other proceeding of any kind with respect to any pre-petition claims against the
10 Debtors or Reorganized Debtors, and (2) any effort to enforce, collect or recover on any judgment
11 based on any pre-petition claims.

12 G. Freitas acknowledges that the claims that are the subject of the Proof of Claim are: (i)
13 pre-petition claims that are disputed, contingent and unliquidated; (ii) recoverable solely as General
14 Unsecured Claims in accordance with the Plan and through the claims reconciliation process in these
15 Chapter 11 Cases; and (iii) currently enjoined by the Plan Injunction from prosecution in the State
16 Court Action or any forum other than the Bankruptcy Court.

17 H. On March 26, 2021, the Parties attempted to resolve the claims that are the subject of
18 the Proof of Claim through a mediation pursuant to the Bankruptcy Court’s September 25, 2020
19 *Order Approving ADR and Related Procedures for Resolving General Claims* [Docket No. 9148].
20 The mediation was unsuccessful.

21 **NOW, THEREFORE, UPON THE FOREGOING RECITALS, WHICH ARE
22 INCORPORATED AS THOUGH FULLY SET FORTH HEREIN, IT HEREBY IS
23 STIPULATED AND AGREED, BY AND BETWEEN THE PARTIES, THROUGH THE
24 UNDERSIGNED, AND THE PARTIES JOINTLY REQUEST THE BANKRUPTCY COURT
25 TO ORDER, THAT:**

26 1. Upon the date of the entry of an order approving this Stipulation, the Plan Injunction
27 shall be modified, to the extent necessary, solely to permit Freitas to liquidate the claims asserted in
28 the Proof of Claim by prosecuting the State Court Action through final judgment and any appeals
thereof, but not to permit enforcement of any such judgment, which judgment, if any, shall be

1 recoverable solely as a General Unsecured Claim in accordance with the Plan and through the claims
2 reconciliation process in these Chapter 11 Cases.

3 2. Upon the date of the entry of an order approving this Stipulation, this Stipulation shall
4 be deemed an objection by the Reorganized Debtors to the Proof of Claim, and the Proof of Claim
5 shall be considered a Disputed Claim. The Proof of Claim shall be deemed an Allowed Claim on the
6 earlier of (a) the date on which the Proof of Claim becomes an Allowed Claim pursuant to written
7 agreement between the claimant and the Reorganized Debtors, or (b) sixty (60) days after either
8 Party files notice in the Bankruptcy Court that a judgment liquidating the underlying claim has been
9 entered in the State Court Action and all appeals from such judgment have been concluded or the
10 time to appeal has expired, provided that if, as permitted by paragraph 3(a) hereof, the Reorganized
11 Debtors further object to the Proof of Claim for any portion of the underlying claim by Freitas that
12 has not been resolved by a final judgment in the State Court Action, the Proof of Claim shall remain
13 Disputed and shall not be Allowed without further Order of the Bankruptcy Court. Any objection to
14 the Proof of Claim allowed under this Paragraph shall be filed no later than sixty (60) days after
15 either Party files notice in the Bankruptcy Court that a judgment liquidating the underlying claim has
16 been entered in the State Court Action and the time to appeal such judgment has expired, and no
17 appeal is pending.

18 3. Nothing herein is intended, nor shall it be construed, to be:
19 a. a waiver by the Reorganized Debtors or any other party in interest, of any
20 right to object to the Proof of Claim for any portion of the underlying claim by
21 Freitas that has not been resolved by a final judgment in the State Court
22 Action, or
23 b. a waiver by Freitas of his rights to oppose any asserted challenge to any Proof
24 of Claim, or
25 c. a waiver by any Party of any claim or defense in the State Court Action.

26 4. In the event that the terms of this Stipulation are not approved by the Bankruptcy
27 Court, it shall be null and void and have no force or effect, and the Parties agree that, in such
28

1 circumstances, this Stipulation (including statements in the Recitals) shall be of no evidentiary value
2 whatsoever in any proceedings.

3 5. This Stipulation shall be binding on the Parties and each of their successors in
4 interest.

5 6. This Stipulation shall constitute the entire agreement and understanding of the Parties
6 relating to the subject matter hereof and supersedes all prior agreements and understandings relating
7 to the subject matter hereof.

8 7. This Stipulation may be executed in counterparts, each of which shall be deemed an
9 original but all of which together shall constitute one and the same agreement.

10 8. The Bankruptcy Court shall retain jurisdiction to resolve any disputes or
11 controversies arising from this Stipulation or any Order approving the terms of this Stipulation.

12
13 Dated: May 28, 2021

14 WEIL, GOTSHAL & MANGES LLP
15 KELLER BENVENUTTI KIM LLP

16 */s/ David A. Taylor*
17 David A. Taylor
18 *Attorneys for Debtors
and Reorganized Debtors*

19 Dated: May 28, 2021

20 KATZ LAW, APC

21 */s/ Lior Katz*
22 Lior Katz
23 *Attorney for Brian Anthony Freitas*